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FM AMEMBASSY CANBERRA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1590
INFO RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0387
RUEHBN/AMCONSUL MELBOURNE PRIORITY 6407
RUEHPT/AMCONSUL PERTH PRIORITY 4671
RUEHDN/AMCONSUL SYDNEY PRIORITY 4633

UNCLAS CANBERRA 000536

SENSITIVE
SIPDIS

STATE FOR IO/T J.DETEMPLE, IO/MPR L.SPRATT, ISN AND EAP

E.O. 12958: N/A

TAGS: [AORC](#) [ENRG](#) [IAEA](#) [PREL](#) [KNNP](#) [AS](#)

SUBJECT: IAEA: AUSTRALIA OPEN TO WELL-JUSTIFIED BUDGET
INCREASE

REF: STATE 57105

SUMMARY

1. (SBU) Australia is open to considering an increase in the International Atomic Energy Agency's (IAEA) budget providing the IAEA Secretariat is able to adequately justify the increase. The GOA requested clarification whether the U.S. budget proposal was for an across-the-board increase or applied only to parts of the budget (see paras 4 and 5 below.) End summary.

2. (SBU) During a June 5 meeting to present reftel demarche, John Sullivan, Assistant Secretary for Arms Control and Counter-Proliferation, and Wendy Walsh, Executive Officer for Arms Control, Department of Foreign Affairs and Trade, told Poloffs that Australia strongly supported the role of the IAEA and agreed it needed adequate resources to carry out its vital safeguards, security and safety responsibilities.

3. (SBU) Noting Australia had recently contributed AUD 450,000 (USD 360,800) to IAEA's Nuclear Security Fund Initiative, Sullivan stated Australia would be open to considering an increase in the IAEA budget during the June 15-19 Board of Governors meeting. He expressed reservations about the Secretariat's thoroughness in past budget preparations, however, and stressed that Australia would be prepared to support a budget increase provided the Secretariat is able to adequately justify and prioritize its budget needs.

4. (SBU) Sullivan asked for clarification about the U.S. budget increase proposal, specifically, whether it was intended to be applied across the board or only to certain elements of the budget. Sullivan and Walsh articulated that it might be advantageous for IAEA to have a regular, single budget instead of the current system of separate budgets funded through voluntary contributions and involuntary assessments.

5. (U) ACTION REQUESTED: Embassy would appreciate IO's assistance in addressing the budget question in para 4 above.

CLUNE